

Honolulu, Hawaii

MAR 20 2024

RE: H.B. No. 2356
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Energy, Economic Development, and Tourism,
to which was referred H.B. No. 2356, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII TECHNOLOGY
DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Change the cap for awards to assist businesses applying for the Small Business Innovation Research Grant Program and the Small Business Technology Transfer Grant Program of the Hawaii Technology Development Corporation;
- (2) Add purchasing of renewable energy technology systems as an eligible expense for the Manufacturing Development Grant Program;
- (3) Clarify that training on new and existing manufacturing equipment is an eligible expense for the Manufacturing Development Grant Program; and
- (4) Make appropriations.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and



Tourism; Hawaii Technology Development Corporation; University of Hawai'i System; Hawai'i Farm Bureau; Chamber of Commerce Hawaii; Hawaii Food Industry Association; Small Kine Farm; Hawai'i Integrated Analytics, LLC; Ai.Fish LLC; Maui Brewing Co.; Omao Labs LLC; Hawaii Fish Company Inc.; Piko Provisions; Hawaii Innovations & Technologies LLC; 3D Innovations LLC; Blue Startups, LLC; Oceanit Laboratories, Inc.; Nalu Scientific, LLC; Aloha Shoyu Company, Ltd.; Mana Up; Maui Chamber of Commerce; WaiHome LLC; Holomua Collaborative; and OceanBit Inc.

Your Committee finds that the strength of the State's economy depends upon a diversity in commerce that is resilient to economic downturns and aggressive in creating new growth opportunities. Your Committee further finds that the Hawaii Technology Development Corporation's (HTDC) core programs develop infrastructure, capital, and talent to facilitate the development of technology and manufacturing jobs and also provides technical and financial support for innovative small businesses from the startup stage through growth and export. This measure supports and expands upon HTDC's programs, which will drive technological innovation, create high-quality jobs, and stimulate economic growth in the State.

Your Committee has amended this measure by inserting an effective date of January 1, 2060, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2356, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2356, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Energy, Economic
Development, and Tourism,

Lynn DeCoite

LYNN DECOITE, Chair



